Welcome to DCMC's Engineering Workshop

PLAS

Process: 217C - Attend Classroom Training

Program: No Program

Contract Kind: 12 NOT Specific to One Contract Kind

Why Have an Engineering Workshop?

- **Major Changes Taking Place in Acquisition**
  - Transition to performance-based contracting
  - Impact of acquisition reform & business initiatives
  - Widespread use of risk-based management
  - Shift to managing suppliers versus supplies

Workshop Objectives

Increase VALUE ADDED by

INCREASING:

Knowledge

Capability

Credibility

and

Performing Risk Management

End of the Journey… Customer Satisfaction

Getting there through…

Risk Management:

Supplier Risk Management

Risk Planning

Risk Assessment

Risk Handling

Risk Monitoring

Risk Documentation

SPRD&E

Quick Snapshot

- **Supplier Risk Management**
  - **Establishes DCMC Risk Management Policy**
    - **Review contracts, etc, for customer requirements**
    - **Make determination of key processes and systems**
    - **Perform a risk assessment and assign a risk rating**
    - **Pick risk handling method(s)**
    - **Tailor to your environment**
    - **Assess effectiveness of risk mitigation; adjust methods**
    - **Document efforts**
- **SPRD&E Chapter**
  - **Evaluate suppliers' technical systems/processes**
    - **Follows SRM risk approach**
    - **Defines who controls effort**
    - **Requires use of EVMS info**
    - **Requires the use of TPMs**
    - **Requires awareness of acquisition initiatives, and use of knowledge of these initiatives for CIOs**

Major Areas of Engineering Responsibility

- **Program/Contract Level Processes**
- **System Level Processes**
- **Demand/Support Level Tasks**

Major Areas of Engineering Responsibility

- **Program/Contract Level**
  - Program Integration
  - Systems Engineering
  - Earned Value Management
    - Technical Control Accounts
  - Risk Management
  - Program Support/MOA

(40) Perform engineering surveillance to assess compliance with contractual terms for schedule, cost, and technical performance in the areas of design, development, and production.

(41) Evaluate for adequacy and perform surveillance of contractor engineering efforts and management systems that relate to design, development, production, engineering changes, subcontractors, tests, management of engineering resources, reliability and maintainability, data control systems, configuration management, and independent research and development.

(42) Review and evaluate for technical adequacy the contractor's logistics support, maintenance, and modification programs.

(67) Support the program, product, and project offices regarding program reviews, program status, program performance and actual or anticipated program problems.

Major Areas of Engineering Responsibility

- **System Level**
  - Systems Engineering
  - Logistics Engineering
  - Test Engineering
  - Systems Safety Engineering
  - Value Engineering
  - Configuration Management
  - Reliability & Maintainability
  - Etc.

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(42) Review and evaluate for technical adequacy the contractor's logistics support, maintenance, and modification programs.

Major Areas of Engineering Responsibility

- **Demand/Support Level**
  - Technical Support to Negotiations
  - Engineering Change Proposals
  - Waivers and Deviations
  - Memoranda of Agreement & Letters of Delegation
  - First Article Testing
  - PreAward Surveys
  - ACO/DCAA/QAR Support
  - Etc.

(43) Report to the contracting office any inadequacies noted in specifications.

(44) Perform engineering analyses of contractor cost proposals.

(45) Review and analyze contractor-proposed engineering and design studies; submit comments and recommendations to the contracting office, as required.

(46) Review engineering change proposals for proper classification, and when required, for need, design technical adequacy, producibility, and impact on quality, reliability, schedule, and cost; submit comments to the contracting office.

(47) Assist in evaluating and make recommendations for acceptance or rejection of waivers and deviations.

(48) Evaluate and monitor the contractor's procedures for complying with procedures regarding restrictive markings on data.

(49) Monitor the contractor's value engineering program.

(67) Support the program, product, and project offices regarding program reviews, program status, program performance and actual or anticipated program problems.

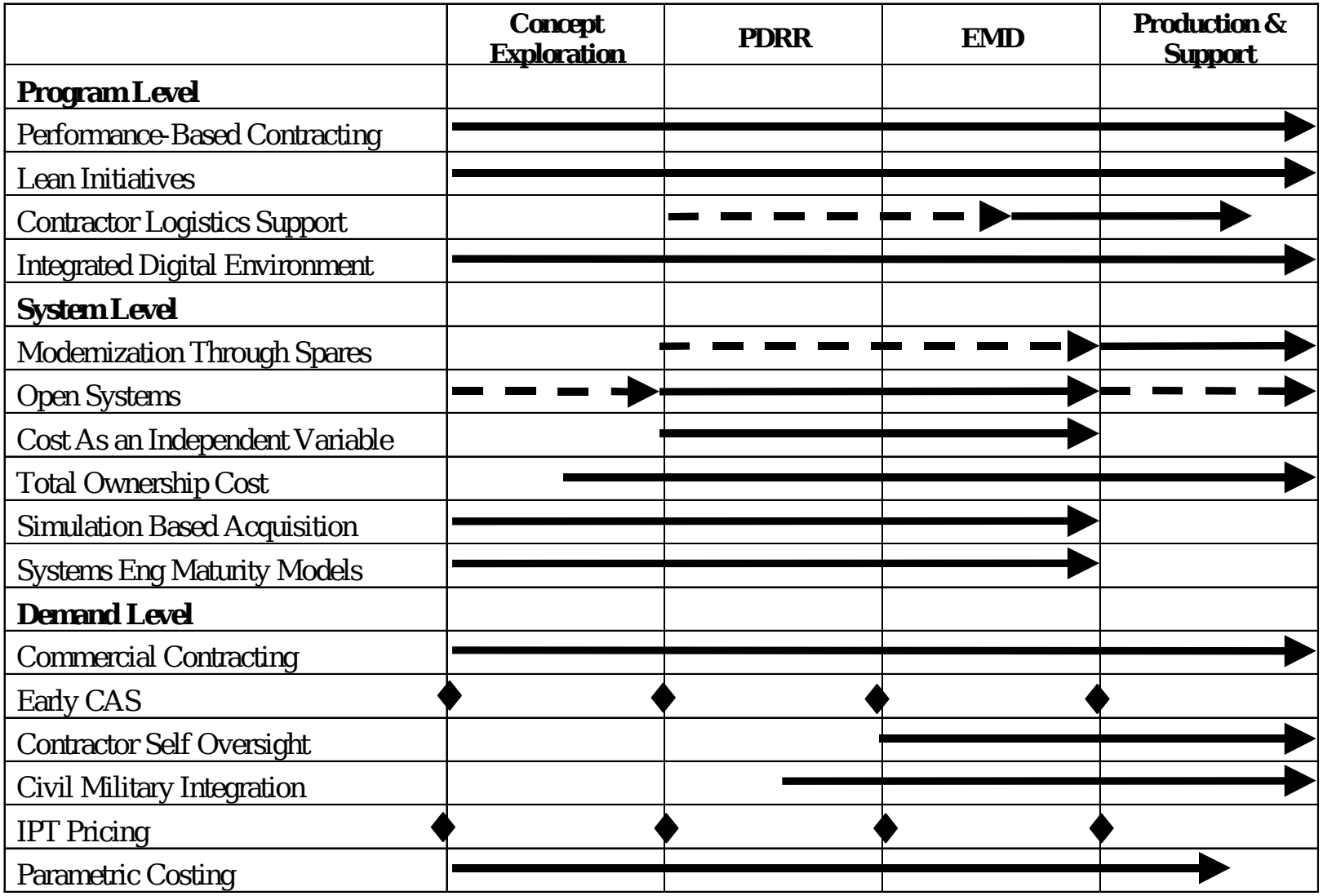
Customer Expectations!!!

- **1997/98 liaison interviews asked for:**
  - More insight into program cost, schedule, and technical risks
  - More proactive involvement; predictive data analysis
  - Performance of risk assessment and mitigation
  - More insight into contractor systems and processes
- **These were taken into account to formulate our approach**

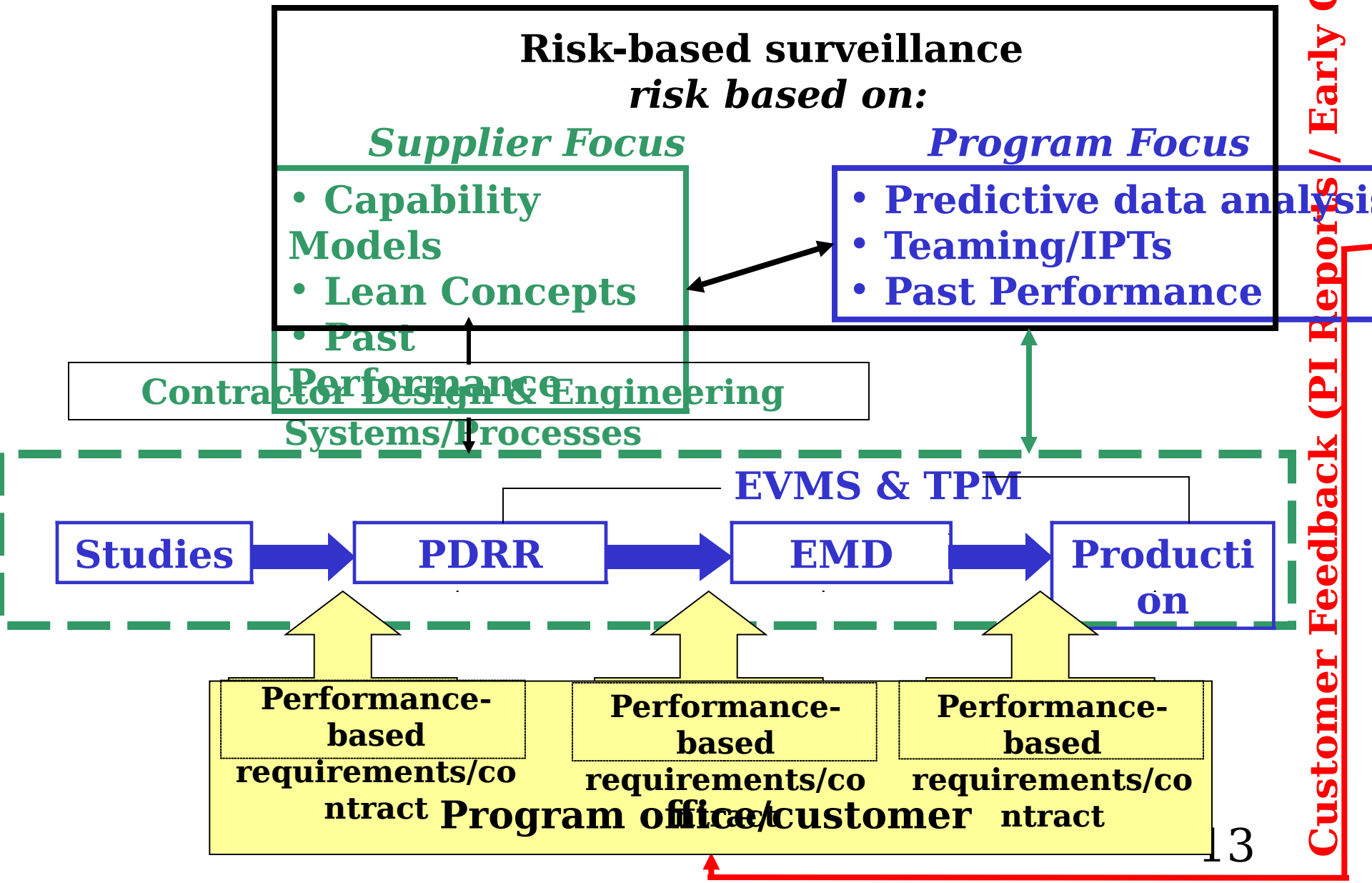
Acquisition Reform and Business Initiatives

- **Reviewed major reform/business initiatives**
- **Determined applicability to engineering**
  - Researched each initiative
    - Purpose
    - Relationship to acquisition life cycle
  - Defined related DCMC engineering roles

Acquisition Reform and Business Initiatives



Conceptual Structure for Redefined Engine



Some Considerations…

What's applicable to me?

How can I use this information?

Where am I in the acquisition and risk cycle?

Be aware of the linkages of one topic to another…how they interact

A Final Thought Before Starting

"Activities that take time, resources, and space but do not address the customer's requirements are non-value added and must be reduced or eliminated."

James Womack
Co-author of "The Machine That Changed the World"